

## Message Text

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12

ACTION EB-11

INFO OCT-01 AF-10 ARA-16 EUR-25 ISO-00 AGR-20 COME-00

TRSE-00 OMB-01 STR-08 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03

SS-20 USIA-15 CIEP-02 CEA-02 DRC-01 /171 W

----- 031729

R 151927Z MAY 74

FM AMCONSUL RIO DE JANEIRO

TO SECSTATE WASHDC 668

INFO AMEMBASSY ABIDJAN

AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY GUATEMALA

AMEMBASSY LONDON

AMEMBASSY MANAGUA

AMEMBASSY MEXICO CITY

AMEMBASSY SAN SALVADOR

AMCONSUL LUANDA

AMCONSUL SAO PAULO

UNCLAS RIO DE JANEIRO 1777

E. O. 11652: N/A

TAGS: ETRD, BAGR, CO, BR

SUBJ: BRAZILIAN COFFEE DEVELOPMENTS

REF: RIO 1505

1. BRAZILIAN COFFEE INSTITUTE (IBC) PRESIDENT, CAMILO CALAZANS DE MAGALHAES, MET WITH PRESS AFTERNOON OF MAY 14 PRIOR TO HIS DEPARTURE FOR HAMBURG AND LONDON. CALAZANS DE MAGALHAES AFFIRMED HE WOULD ATTEND LONDON MEETING OF ICO WORKING GROUP TO "DEMONSTRATE BRAZIL'S FAVORABLE ATTITUDE TOWARD A NEW CONSUMERS/PRODUCERS AGREEMENT, PROVIDED IT IS NOT AT OUR EXPENSE." IN ORDER FOR AN AGREEMENT TO BE ACCEPTABLE TO BRAZIL, HE STATED, UNCLASSIFIED

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IT SHOULD PROVIDE FOR PRICE ADJUSTMENTS TO COMPENSATE

FOR THE IMPACT OF INFLATION ON REAL VALUE OF THE DOLLAR.  
THUS, A NEW AGREEMENT SHOULD SET NOT ONLY EXPORT QUOTAS,  
BUT ALSO PRICES. LATTER WOULD PROBABLY BE BASED ON SOME  
INDEX OF PRICES FOR OTHER RAW MATERIALS. FURTHER, HE  
ASSERTED, EXPORT QUOTAS SHOULD NOT BE BASED ON EXPORT  
RESULTS OF PAST TWO YEARS BECAUSE DURING THAT "EXCEPTIONAL"  
PERIOD BRAZIL LOST CONSIDERABLE PART OF INTERNATIONAL MARKET.

2. ADDRESSING HIMSELF TO COSTA RICA MEETING, HE STATED  
THAT BRAZIL, COLOMBIA, MEXICO AND CENTRAL AMERICAN PRODUCERS  
HAD ESTABLISHED A FUND TO INTERVENE IN CENTRAL AMERICAN COFFEE  
MARKET AND HAD PLACED IT IN OPERATION. THE "SUBSTANTIAL  
FUNDS" MADE AVAILABLE FOR THIS PURPOSE WILL BE INCREASED AS  
NEEDED. AS REGARDS PRESENT EXPORTS, HE DID NOT ANSWER QUESTION  
RAISED AS TO ACCURACY OF COFFEE EXPORTERS' PUBLIC CLAIM THAT  
"SPECIAL DEALS" WOULD BE REINSTITUTED IN ORDER TO STIMULATE  
BRAZILIAN SALES.  
BOONSTRA

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COFFEE, AGRICULTURAL PRODUCTION, AGREEMENTS, STATE TRADING COMPANIES, PRICES, PRESS CONFERENCES, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974RIODE01777  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740120-0449  
**From:** RIO DE JANEIRO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740546/aaaabojz.tel  
**Line Count:** 79  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** RIO 1505  
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**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 28 OCT 2002  
**Review Event:**  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BRAZILIAN COFFEE DEVELOPMENTS  
**TAGS:** ETRD, EAGR, CO, BR, IBC, (CALAZANS, CAMILLE)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005